

MINUTES OF THE BOARD MEETING FOR THE DEPARTMENT OF LIVESTOCK

DEPARTMENT OF LIVESTOCK BOARD ROOM
HELENA, MONTANA

May 7, 2007

Department of Livestock Board Room

Call To Order

Chairman Bill Hedstrom called the meeting to order at 1:00 p.m.

Attendance:

Board of Livestock

Bill Hedstrom, Meg Smith, Linda Nielsen, Janice French, Rebecca Weed, and Stan Boone. George Hammond was an excused absence.

Department personnel

Christian Mackay, Executive Officer; George Harris, Centralized Services Administrator; Dr. Bill Layton, Diagnostic Laboratory Administrator; Carol Olmstead, Meat and Poultry Inspection Bureau Chief; Roy Hall, Milk & Egg Bureau; John Grainger, Brands Enforcement Administrator; Evaleen Starkel, Alternative Livestock; and Sam Murfitt, Board of Horse Racing Executive Secretary.

Public:

Jim Hoover, Wildlife Services; Chris Smith and Carolyn Sime, Fish Wildlife & Parks; Ariel Overstreet, Agri-News; Jeremy Seidlitz, Montana Cattlemens Association; Jay Bodner, Montana Stockgrowers Association; Errol Rice, Montana Stockgrowers Association; and Steve Pilcher, producer.

Board Communications

Jan French her area is nice and green, pretty good rain, snow pack is terrible;

Becky Weed things are going well, good moisture;

Meg Smith cattle prices are good, little rain, calving is still ongoing, people are short of hay;

Stan Boone things are good around Ingomar;

Linda Nielsen 3 inches of rain, cattle prices are pretty good, cancelled the horse sale;

Bill Hedstrom still building houses in the Flathead, price of land is going up, cattle prices are up.

Welcome New Executive Officer

Christian Mckay lots of moisture southeast and south central Montana, good calving year.

Guest Recognition

Guest Jay Bodner, MSGA; Errol Rice, MSGA; Steve Pilcher, producer; Chris Smith, FWP; Jim Hoover; FWP; Carolyn Simes, FWP; Ariel Overstreet, Agri-News; and Jeremy Seidlitz, MCA;

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introduced themselves and were welcomed by the chairman.

Approval of Minutes

Linda Nielsen moved to approve the minutes of the March 12 & 13, 2007 Board Meeting as corrected. Becky Weed seconded and the motion carried unanimously.

Centralized Services Division

HB 364

HB 364 called for the Livestock Loss Reduction and Mitigation Board to be administratively attached to the Department of Livestock.. George Harris reviewed how members of the board will be selected, administrative procedures, and the core amount provided from the general fund to establish the program. Chris Smith, FWP, reviewed the history and proposed processes of the program. Jim Hoover, Wildlife Services District Supervisor Columbus, explained the kill verification process for Wildlife Services. Carolyn Sime provided the board with 2 handouts. The board will prior to July 1, submit the names of three persons to the Governor to represent producers on this board .

Open Meeting Law

George Harris reviewed 2-3-Part 2, MCA, regarding open meeting law for boards, commissions, and councils. Clyde Peterson, contract attorney for the Department of Livestock from the Attorney General's office, replied to questions from the board and suggested policy and procedures be prepared to assure the board is not out of compliance with this law.

Recess: Chairman Hedstrom called a 10 minute recess

Reconvene: Chairman Hedstrom reconvened the meeting.

Legislative Updates

George Harris reviewed a variety of bills introduced that could affect DOL and explained their current status:

- SB 705-premise registration- died in committee;
- SB 720-inspection of dog breeding facilities –died;
- SB 726-revision of animal cruelty laws – died;
- SB 775-forfeiture of funds confiscated – died;
- HB 392-cost reimbursement to property owners re: CAFOs-died;
- HB 431-classification of milk – passed and signed by the Governor;

Acting Executive Officer Reports

The Board reviewed reports from the Executive Officer. Meg Smith questioned several decisions in reference to bison management and apparent inaction which allowed bison to remain out of the park on the South Fork of the Madison, why wasn't helicopter called in sooner. Discussion followed.

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Jan French moved, Linda Nielsen seconded to approve Executive Officer's reports. The motion carried. Meg Smith abstained.

Chairman's Interim Actions and Activities

All items referred to in the executive officer's report were approved by the chairman therefore the executive officer reports constitute the chairman's report. Discussion ensued concerning action taken and decisions made regarding bison management. Meg Smith questioned items in reports referring to bison in zone 3. Ms. Smith commented for the record, "The board is not doing their job if bison are allowed to stay in zone 3 and I will not be responsible for interim decisions made by the chairman allowing zone 3 bison." She was referring to the decision to move bison the airport & Horse Butte while allowing others remain on the South Fork of the Madison, an area described in the IBMP as "the area where bison that leave Zone 2 will be subject to lethal removal." Becky Weed expressed the need to avoid the same conflict in the future, and the board be informed as decisions are made, not after the fact. Discussion continued concerning the need to stay flexible and the ability to react as situations develop and trust in the people to do their jobs. Ms. Smith continued to question why and how decisions were being made. Chairman Hedstrom remarked "I knew I was going to get some bull sh— from somebody and I knew it was going to be you." To which Ms. Smith replied, "With all due respect, Mr. Chairman, that is inappropriate. It is our job to protect the livestock industry. It is not BS, thank you very much." Chairman Hedstrom then called for a motion on approval of chairman interim decisions and activities.

Linda Nielsen moved and Jan French seconded to approve Chairman Hedstrom's interim actions. The motion carried with Meg Smith opposing.

Horse Racing

Legislative Updates

Sam Murfitt explained that the Board of Horse Racing is now fully staffed since the Governor's appointment of four new members. He then reviewed the status of bills affecting horse racing this legislative year.

- SB 359 – proposed moving horse racing to the Department of Agriculture – died in appropriations;
- HB 616 – parimutuel wagering on fantasy sports. No opposition, lots of backers, passed and signed by the Governor. Will help horse racing – 16% of total take will go into budget, anticipates 3 FTEs, more space needed, rules must be generated – lots to do to make it work;
- HB 333 - match bronc-passed, signed and ARM rules completed.

Diagnostic Laboratory Division

Contract Renewals

Dr. Layton reviewed the contracts between DOL and various other agencies that are due for renewal:

- Fish, Wildlife & Parks agreement - no change except an increase to \$12,000 from \$10,000 for testing;

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- Department of Public Health and Human Services- covers lab use in case of bio-terrorism. This is an open ended contract which needed review and new signatures.
- MSU Animal Range Science - \$1,300 contract for diagnostic services from work study students. New signators and some possible contract adjustments;
- Marsh Lab Share agreement – open ended agreement;

IT Update

Jim Newhall reviewed progress on the LIMS System. The contractor hired to help write Oracle reports, Nancy with Northrup Grumman, wrote seven reports in one month (approximately 6 months of work for DOL IT people). This justified the cost of \$100 per hour which was paid for with National Animal Health Labs grant money. Also used an MSU student intern to work on the LIMS program four to eight hours a week to test LIMS systems at the lab. Jim anticipates the system to be up and running July 1. Future IT projects include a Brands program update.

Brands Enforcement Division

Inspection Form Change

John Grainger said Brands and Animal Health collaborated to update the inspection form and provide a procedure for animal health issues such as the recent trichomoniasis outbreak. The form is generic so other health requirements can be added to the data base and flagged for Animal Health.

Annual Report to the Board

A printed report was provided to each board member. A PDF form will be posted on the website as soon as it is edited and C.D.s will also be available.

Personnel Updates

The Dillon District Investigator position will be opened soon due to the resignation of Owen Brown. He has taken a position with APHIS. John also anticipates three retirements, in Lewistown, Broadus, and Harlowton. The positions will be opened internally first to give opportunity for advancement within the department.

Meat Inspection Bureau

Legislative Updates

Carol Olmstead reviewed legislation impacting the department:

- SB 59 – DOL sponsored to adopt humane slaughter rule – passed and signed by the Governor;
- HJR 17 – Urging the U.S. to allow interstate shipment of Montana processed and inspected meat – passed. House President takes to the Governor who then submits it to our congressional representatives;
- SJR 13 – Interim study on Ag value added – passed. Department of Livestock is a consultant on this bill;
- SB 544- Montana Certified Natural Beef Marketing Program – Departments of Livestock and Agriculture will administer this. Ag has process and personnel for organic certification. Livestock will work on the rule making with Ag. Ag extension agents have agreed to do the certification.

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Meeting Updates

Ms. Olmstead attended two meetings since the last board meeting:

1. The Western Regional Meeting of the National Association of State Meat Inspection Directors in Phoenix. Issues discussed included:

- Avian Influenza – plans and procedures for emergency response;
- new training – FSIS is providing training for compliance officers;
- product sampling programs – FSIS must provide more information on what they are doing so the states can be *equal to*;
- federal review process- ongoing with state directors

2. FSIS Technical Service Center in Omaha where state directors and FSIS representatives went through the manual to deem states *equal to*. FSIS will take suggestions to Washington D.C. using the 2006 review as a baseline. Directors are asking FSIS to provide the states with more guidelines for product sampling. Six state directors representing 28 states and up to 10 FSIS representatives attended the meeting, which Carol called very productive.

Centralized Services Division

Milk Control Bureau Updates

Monte Nick, Bureau Chief, reviewed items discussed at the April 17th Milk Board Meeting. He invited board members to attend the next Milk Control Board meeting scheduled for May 18th.

Election of Vice Chair

Chairman Hedstrom called for nominations from the board for election of a vice-chairman.

Linda Nielsen nominated Jan French. No other nominations were presented and Jan French was unanimously voted vice-chair.

Next Board Meeting

The Board set the next meeting for July 23 and 24, 2007, in Bozeman. The board set later in the month than usual to allow for compilation of fiscal year end data. George Harris discussed the request of a film producer to film a board meeting, possibly in July.

Adjourn

The meeting was adjourned at 4:55 p.m. to reconvene at 6:00 p.m. for the Board dinner and work session at Jorgensons.

6:00 p.m. Jorgensons – Board work session.

Attendance:

Board of Livestock: Chairman Hedstrom, Meg Smith, Jan French, Linda Nielsen, Stan

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Boone, and Becky Weed. George Hammond was an excused absence.

Department Personnel: Dr Jeanne Rankin, Acting State Veterinarian; Rob Tierney, bison manager; and George Harris, Centralized Services Administrator.

Public: Keith Aune, FWP; John Munding; John Bloomquist; and Ariel Overstreet, Agri-News.

John Munding, John Bloomquist, and Rob Tierney reviewed the history of litigation and bison management since 1989 . Question, how do three federal and two state agencies work together (each with some authority). The bison EIS was supposed to resolve 30 years of interagency conflict. The purpose of the IBMP was identified as: *to maintain wild and free ranging population of bison in Yellowstone park and address risk of brucellosis transmission, to protect the state's brucellosis free status and the bison interests and viability.* Some major points addressed in the EIS:

- cannot compromise the ecological integrity of the Yellowstone bison;
- cannot run the economic risk of losing Montana's brucellosis status;
- does not address the eradication of brucellosis;
- defines brucellosis in bison and factors of transmission;
- confirms how the disease functions in bison and the similarity in cattle;
- acknowledges that with infectious animals freely associating with non-infected the risk of transmission is there

The history of the Yellowstone bison was reviewed. Beginning in 1902, when the remaining original herd of approximately 19 was supplemented from private native herds in Montana and Texas to how this supplemented herd was aggressively managed, keeping a population at 400 head until 1965. In 1965 the Park decision was to let the bison herd roam freely within the park and propagate naturally in a "non-management" management style. Today the herd of approximately 4,000 head, even with removal of several thousand that have migrated into the state of Montana over the years shows that the agencies current management is not compromising the herd's ecological integrity.

Economics, potential loss to the industry, public controversy, and the need to follow the plan were other points of interest.

A question and answer period followed. Questions concerned the continued management, following the IBMP plan, implementing modification of the plan, legal mandates and authorities of each agency, federal and state records of decision, and the responsibilities of the Board/Department of Livestock.

Keith Aune, Fish, Wildlife, and Parks, explained the four big phase of management, history of research, documentation of brucellosis in elk and bison, and brucellosis as it reacts in different species. How the bison immune system reacts differently (cattle vaccines don't work for bison), and the elk immune system is very different (reacts well to strain 19).

Also covered were bison sero positive (approximately 46%), persistence of contamination at birth and shedding sites, bison to bison infection rather than mother to baby, and elk infection and transmission risks.

Adjourned

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May 8, 2007

Department of Livestock Conference Room

Call To Order

Chairman Bill Hedstrom called the meeting to order at 8:10 a.m.

Roll Call

Board of Livestock: Chairman Bill Hedstrom, Meg Smith, Linda Nielsen, Janice French, Rebecca Weed, and Stan Boone. George Hammond was an excused absence

Department Personnel: George Harris, Centralized Services Administrator; Carol Olmstead, Meat and Poultry Inspection Bureau Chief; John Grainger, Brand Enforcement Administrator; Marty Clark, Brand Enforcement Assistant Administrator; Dr. Jeanne Rankin, Acting State Veterinarian, Animal Health; Clyde Huseby, Animal Health; Janet Nick, Accountant Centralized Services; and Evaleen Starkel, Alternative Livestock, Animal Health.

Public: Ariel Overstreet, Agri-News; Jim Hagenbarth, rancher; Jeremy Seidlitz, Montana Cattlemen Association; Fred Finke, rancher, Montana Stockgrowers Association; Errol Rice, Montana Stockgrowers Association; Parker Brown, Montana State University; John Shier, Montana State University; Josh Osher, Buffalo Field Campaign; Jay Bodner, Montana Stockgrowers Association; Steve Roth, Montana Stockgrowers Association; and Ryan Clarke, USDA APHIS VS.

Centralized Services

Legislative Budget Update: George Harris reviewed the status of the 2008/09 budget, explaining the process. He reviewed each division budget individually citing their needs and requests.

Legislative Bills of Interest:

- HB 2 – tabled in Approps now – HB 820 now being worked on has an extra \$142,000 for DOL;
- HB 3 – contains supplemental requests – extra Meat Inspection funds – approved and signed by the Governor;
- HB 4 – Animal Health – new special funds (federal) passed and signed by the Governor;
- HB 13 – pay increase – 3.6% (3% increase .6% discretion of the Board) – passed and signed by Governor.

Bison Funding and Operations: George Harris reviewed the status of the bison funding and explained how and when the federal grant monies are disbursed.

IBMP-Gratuity Paid For Bison Employees Use of Personal Horses: George explained that currently bison employees use their personal horses for management activities and are reimbursed according to policy. The suggestion was made to adopt a department wide policy to also include the 18 district investigators, two animal health personnel and 3-5 other horses department wide at a competitive compensation rate. This item will be discussed further at the next board meeting.

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Public Information Representation: The board reviewed the need for a public information officer in light of the various bison and disease issues pending. Karen Cooper, former PIO, declined to contract with DOL citing the lack of time. George Harris suggested contracting with Tom Daubert because Tom is also familiar with the issues involved. The Board took the suggestion under advisement.

Animal Health

IBMP Management: Dr. Rankin reviewed current hazing operations. She and Rob Tierney explained the day to day operations, use of the helicopter, where and when, how many bison were out, and where they were birthing. Meg Smith questioned why bison were allowed to remain in zone 3 areas and what measures were being taken to monitor and sanitize birthing areas. Discussion continued on use of the helicopter and the chain of command to get the job done, viability of the disease, and risks involved. The board also discussed the forest service letter to Dr. Rankin regarding the Horse Butte capture facility agreement suggesting that the department begin the permit re-authorization process with two years remaining on the current agreement. This area has not been used recently, however it is available if needed.

Jan French moved to begin working with the forest service on the permitting process referred to in the letter. Becky Weed seconded and the motion carried.

IBMP Managers Meeting: Dr. Rankin met with the other IBMP managers in Bozeman on April 10. Discussion centered around comments from the open house, how to respond, and RTR issues.

Dr. Rankin requested approval to attend the next IBMP managers meeting May 31st. They will wrap up comments and brainstorm with moderator for responses. George Harris said the spending authority was already in the budget for this meeting.

Disease Updates:

Trichomoniasis – Dr. Rankin commended the crew for working so well together, Helena staff for newsletters, handouts, notices, ground crews, and vets. An enormous amount of work being accomplished. She then requested input from the board on possible fees to cover future administrative cost that may be incurred. She suggests a draft fee rule for implementation next year, also revision to current trich rule to provide conformity across state/Canadian borders.

Anthrax – there was a report of anthrax in South Dakota;

TB – New Mexico reported TB in three counties, Texas, Michigan, and Minnesota also have TB herds

Brucellosis – Wyoming will brucellosis free June 1;

Pseudo rabies – reported in Michigan swine;

Scrapie – Wyoming reports the Norwegian strain of scrapie;

Johne's Disease – Idaho reports Johne's disease in a goat herd, also TB in a goat herd that originated in Montana.

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Proposed Fee Implementation: Dr. Rankin is checking into possible fees for rodeo imports explaining the animals are only in the state from June to November so there is no per capita fee paid on them. Instead of following prior procedures (waivers) we would charge a fee for administrative costs. Another area to pursue fees she suggests is registering biologics. Oregon charges \$60 each. George Harris explained that the department has statutory authority to establish fees to cover costs.

Dr. Rankin finished with a request for an executive session concerning a personal personnel matter.

Opportunity for Public Comment

Errol Rice, Montana Stockgrowers, explained the work done by MSGA regarding federal bison management funds. He stressed the need for the board to be aware of the special interest groups working to eliminate this funding. Horses first, then bison. He also urged the board to concentrate on implementation of the plan while considering suggested modifications.

Next Meeting:

The next regular meeting will be on Monday July 23, 2007, at 1:00, p.m. and Tuesday July 24, ,2007, at 8 a.m.

Adjournment

Chairman Bill Hedstrom adjourned the meeting with an executive session to follow. Individual right to privacy exceeds the public right to know.

BILL HEDSTROM, CHAIRMAN
BOARD OF LIVESTOCK